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FOR IMMEDIATE RELEASE

TELEPHONE COMPANIES TO ELIMINATE LAST ZONE CHARGES IN NEBRASKA

LINCOLN – Some rural telephone customers in 86 Nebraska exchanges will see lower telephone bills effective January 1.

Five local exchange telephone companies have notified the Nebraska Public Service Commission that they will eliminate zone charges for rural customers who have been paying an additional monthly fee from \$1.25 to \$5.75 over the basic line charge to reimburse the companies in high cost service areas. Officials of Arapahoe, Consolidated, Great Plains, Nebraska Central, and Qwest filed the new rates by a December 22 deadline for the zone charges to be eliminated on January 1.

In return, the companies will be reimbursed through the Nebraska Universal Service Fund (NUSF), administered by the Commission. The NUSF is funded by a 6.95 percent monthly surcharge on most telephone services. Commission Chairman Jerry Vap of McCook said one of the missions of the NUSF is to help telephone users in high cost service areas.

“The Commission has worked for some time with companies that have added zone charges to some customer bills due to the high costs of providing service. In 2003, United/Sprint eliminated zone charges in its Panhandle exchanges and then successfully applied to the Public Service Commission for financial support from the Nebraska Universal Service Fund,” Vap said.

Among the programs supported by the NUSF is the Nebraska Telephone Assistance Program (NTAP) and Tele-Health, which provides a linkup between medical centers and providers throughout the state.

The exchanges affected by the new rates of the companies are the last in the state to apply zone charges. Not all exchanges operated by a company may have zone charges. Qwest, the state’s largest local exchange provider, does not have zone charges in any of its Omaha exchanges, for example, but has had zone charges in all of its other exchanges.

The companies and local exchanges in which zone charges will be eliminated are:

Arapahoe (4) – Brule, Farnam, Loomis, and Overton;

Consolidated (12) – Anselmo, Arthur, Brewster, Dunning, Halsey, Hyannis, Merna, Mullen, Purdum, Seneca, Thedford, and Whitman;

Great Plains (11) – Belgrade, Cedar Rapids, Cody, Crookston, Culbertson, Gordon, Primrose, Rushville, Spalding, Stratton, and Trenton;

Nebraska Central (8) – Ashton, Boelus, Dannebrog, Elba, Litchfield, Mason City, Ravenna, and Rockville; and

Qwest (51) – Ainsworth, Alliance, Atkinson, Atlanta, Axtell, Big Springs, Bridgeport, Broken Bow, Cairo, Central City, Chadron, Clarkson, Crawford, Elkhorn/Waterloo/Bennington/Valley, Elm Creek, Elwood, Emerson, Farwell, Fremont, Fullerton, Gothenburg, Grand Island, Gretna/Springfield, Harrison, Holdrege, Humphrey/Creston, Laurel, Lexington, Loup City, McCook, Minden, Norfolk, North Platte, O'Neill, Oakland, Ogallala, Oxford, Pender, Pilger, Randolph, Schuyler, Sidney, Silver Creek, South Sioux City/Dakota City, St. Paul, Tekamah/Lyons, Valentine, Wakefield, Wayne, West Point, and Wood River.

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